

30 May 02

CEHR-E

MEMORANDUM FOR

COMMANDERS, MAJOR SUBORDINATE COMMANDS  
DIRECTORS, FIELD OPERATING ACTIVITIES

SUBJECT: A Job Referral Bonus Program – An Effective Recruiting Tool

1. References:

a. Title 5, United States Code, Chapter 45, Subchapter I-Awards for Superior Accomplishments.

b. Title 5, U.S. Code of Federal Regulations, Part 451, Awards.

c. Department of Army Regulation (AR) 672-20, Incentive Awards.

2. An organization's employees are great assets for recruiting quality applicants. Their relationships in the community and with universities and professional organizations provide exceptional opportunities for "marketing" the U.S. Army Corps of Engineers as an employer of choice. I encourage you to solicit the support of your employees in attracting good candidates for vacancies by developing an effective job referral bonus program. Employees have a vested interest in attracting the best and brightest to the organization. By sharing positive personal experiences, and providing the information needed to apply for jobs, employees can make a significant contribution, particularly when the job is hard-to-fill and or very specialized.

3. A well-designed and executed program supports the Corps strategic goal to attract and retain a world-class work force. The cited references support a robust program. Please share your success stories and best practices. As a learning organization, creative strategies that yield quantifiable results are valued. The human resources staff prepared the attachment in anticipation of your questions.

FOR THE COMMANDER:

Encl  
as

/S/  
HANS A. VAN WINKLE  
Major General, USA  
Deputy Commander

# **QUESTIONS AND ANSWERS**

1. Question. Who is eligible to receive an award for referring a candidate selected for a position?

Answer. Employees eligible to receive an award under AR 672-20.

2. Question. Are there employees who generally should not be rewarded under this program?

Answer. Yes. It is important to avoid perceptions of favoritism, conflicts of interest, ethical violations, and violation of EEO laws, merit principles, and nepotism regulations. The following employees should generally not receive an incentive award under this program (but should be recognized in the performance appraisal for their effective recruiting efforts).

- Supervisors, managers and officials involved in the selection process for which a particular individual was hired.

- Employees who are responsible for recruiting and referring applicants as a major duty assignment (e.g. some CPAC staff employees, Handicapped Employment Coordinator, Special Emphasis Program Coordinators, etc.).

- Employees who refer or interview candidates as a result of their official role as a recruiter at job fairs, conferences, career days, etc.

- Immediate relatives or those with a significant personal relationship with the selected applicant if there is a direct connection between the relative and the position being filled that would result in a perception of favoritism or unfair advantage to the applicant in the selection process.

3. Question. What process is used to identify an employee who is eligible for an award under this program?

Answer. Processes will vary by location as determined by local Commanders. Those involved in making decisions regarding who should be rewarded are encouraged to obtain information from the new hire. The individual selected is generally in the best position to determine whether a particular individual was responsible for his or her decision to apply and accept a position with the U.S. Army Corps of Engineers.

4. Question. Who initiates the award?

Answer. Again, this process should be designed to meet local needs and resource situations. There is not a standard business process dictated. In most cases, the supervisor of the position being filled would initiate the required documentation and fund the award. The supervisor of the employee receiving the award would initiate the Request for Personnel Action for payment of the award. In some cases, local commanders may centralize this function and establish local controls and restrictions.

5. Question. Are awards restricted to filling certain types of positions?

Answer. Generally, awards should be given only when the position is “hard-to-fill”. Which jobs are hard-to-fill will vary by labor market conditions and are determined locally.

6. Question. Do vacancy announcements have to indicate a referral bonus may be paid to employees referring selected applicants?

Answer. No, not necessarily. However, it is recommended because including such a statement in the vacancy announcement can be an effective marketing tool and will make employees aware of the potential for an award.

7. Question. What type of awards can be approved?

Answer. Awards that can be approved under this program include Special Act or Service Awards, On-the-Spot (OTS) Awards, Time Off Awards and honorary awards. The amount and type of the award should be based on

- the employing activity’s resources;
- the criticality of the vacancy;
- the impact of the position on the mission; and
- the difficulty in attracting candidates for the specific occupational series, grade and/or location.

8. Question. What is the dollar range for On-the-Spot (OTS) awards?

Answer. The range is \$50 to \$500. This increase was authorized by memorandum, Deputy Assistant Secretary of the Army (Civilian Personnel Policy), 9 Aug 2001, subject: Policy Memorandum for On-the Spot (OTS) Cash Awards.

9. Question. Is there a limit on the number of times an employee can receive a cash award?

Answer. No, AR-670-20 does not restrict the number of awards an individual may receive. However, local restrictions may be adopted.

10. Question. Is the award subject to tax withholding?

Answer. Yes. DFAS will deduct tax withholding from the amount awarded.

11. Question. Is a job referral bonus program subject to negotiation or I&I bargaining with local bargaining units?

Answer. Generally, some aspects of a program are subject to I&I and union notification. Consult with your servicing labor relations advisor for conformance to local labor agreements. It is generally a good idea to partner with labor organizations up front as they can be strong advocates for a successful program.

12. Question. When is the award paid?

Answer. In most cases, the reward should be authorized shortly after a new hire reports to duty. Some organizations may choose to wait a specified period of time to verify the new hire stays with the organization and achieves a satisfactory level of performance. It is recommended that local organizations keep the process simple.

13. Question. Can employees outside the district or organization filling the vacancy be rewarded?

Answer. Yes. Any employee who is authorized to receive an award under AR-670-20 is eligible. This would include Corps employees in other districts or employees of non-Corps organizations. The process required to reimburse other organizations will have to be determined locally. In most cases the awards will be to employees in the organization where the vacancy exists. The premise of this program is that employees who currently work in the organization have a vested interest in attracting the best and brightest to be their co-workers, and will be the most effective ambassadors for the organization.

Prepared by CEHR-E  
12 April 2002

Other questions should be referred to your local human resources staff, Ethics Officer, or Office of Counsel.